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PUC PROJECT NO. 52373

REVIEW OF WHOLESALE \$ PUBLIC UTILITY COMMISSION ELECTRIC MARKET DESIGN \$ OF TEXAS

BROAD REACH POWER'S EXECUTIVE SUMMARY

Broad Reach Power LLC ("Broad Reach") submits the following comments in PUC Project 52373, *Review of Wholesale Electric Market Design*.

- Broad Reach is a privately-owned independent power producer based in Houston that develops, owns, and operates energy storage resources. Broad Reach currently has 90 MW/90 MWh of standalone storage operating in ERCOT, 200 MW/200 MWh in commissioning, 60 MW/60 MWh under active construction, and the largest position in the ERCOT interconnection queue with over 8 GW of standalone storage resources.
- 2. Broad Reach believes the discussions to-date about changes to the ORDC deployment protocol will lead to increased incentives for dispatchable resources and improve the reliability of the ERCOT system. Specifically, increasing the hours included in the ORDC curve will increase the incentives to build new dispatchable and reliable resources.
- 3. In addition, ERCOT should recognize and study the needs more voltage support and reactive power due to the projected growth in supply and load in the next two years. With the increase in inverter-based resources, it is important for ERCOT to look at procuring more fast-response products, including, and not limited to, Fast Responding Regulation Service ("FRRS") and Fast Frequency Response ("FFR") services.
- 4. Many of the new intermittent generation and load resources connecting to the grid are putting more pressure on ERCOT to balance the system in Real Time. To reliably

operate and balance the system, ERCOT will need to procure more from fast-response products (FRRS and FFR).

- 5. With the delay in implementation of Real Time Co-optimization, the PUC should request ERCOT to:
- Study the reliability impacts of increasing the current limits on FRRS Up and Down services from their existing limits of 65 MW and 35 MW respectively to a higher level (e.g., to 200 MW);
- Similar to other ancillary services, consider basing FRRS procurements on expected system conditions;
- Study the reliability impacts of increasing the current 450 MW FFR limitation (e.g., to 1000 MW); and
- Make FFR a standalone procurement.

Broad Reach appreciates the opportunity to provide input on these important questions and looks forward to continuing to participate in this proceeding and in additional market design discussions in pursuit of a more robust and reliable ERCOT system.

Respectfully submitted,

AUTHORIZED REPRESENTATIVE FOR: BROAD REACH POWER LLC

Narsimha Misra
Narsimha Misra (Sep 30, 2021 15:33 CDT)

Narsimha Misra,
Executive Vice President, Risk Management &
Structuring
Broad Reach Power LLC
Three Allen Center, Suite 2800
333 Clay Street
Houston, Texas 77002
832-304-7860
nmisra@broadreachpower.com

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